

CANADIANA

APR 6 1995
AVR

Alberta Seniors Benefit

*Proposing a Fair and
Effective Way to Meet
the Needs of Seniors*



National Library
of Canada

Bibliothèque nationale
du Canada

Principles of Alberta Seniors Benefit

- Protect low income seniors - over 79,000 seniors will receive higher benefits
- Streamline administration - seniors will have only 1 simple application form to complete instead of 3 processes. Unless their circumstances change they will do this only once - when they enter the program.
- Provide a one window approach to seniors benefits - the same department will deal with all questions relating to the program.
- We looked at the cumulative impact of business plan proposals and made modifications to meet seniors' needs.
- There is NO means test!
- Benefits are based on a sliding scale which recognises seniors' income.
- We will continue to consult with seniors on this program and on ways to help those whose circumstances change during the year.

Components of Alberta Seniors Benefit

Annual Values

Component	Current Benefit	Proposed Benefit
Alberta Assured Income Plan	up to \$1,140 per senior (<i>income tested</i>)	\$1,150
Extended Health Benefits	\$100 per adult \$200 per family	\$116 \$232
Alberta Health Care Insurance Premium	\$384 per adult \$768 per family	\$384 (<i>non cash benefit</i>) \$768
Homeowner Tax Rebate	\$650 average, not to exceed municipal taxes paid	\$650 flat rate
Regular Renter	\$1,200	30% of rent paid to a maximum of \$1,200
Renter/Owner of Mobile Home	\$1,000	30% of rent paid to a maximum of \$1,000
Renter of Subsidized Unit (e.g. Lodge)	\$600	zero

Three Factors

- Income
- Marital status
- Type of accommodation

SLIDING SCALE OF BENEFITS

Seniors who have the lowest income will receive the highest cash benefit. As incomes rise, the amount of the cash benefit will decrease.

You will receive a cash benefit geared to your income level if:

- you are a single senior and have an income of less than \$17,000 per year;
- you are a two-senior couple and have an income of less than \$25,000 per year;
- you are a one-senior couple and have a total family income of less than \$17,000 per year.

PROPOSED ALBERTA SENIORS BENEFIT **For Single Seniors**

ESTIMATED ANNUAL CASH BENEFITS			HEALTH CARE PREMIUMS	
ANNUAL INCOME	HOMEOWNER	RENTER	ESTIMATED PREMIUM SUBSIDIZED BY GOVERNMENT	ESTIMATED PREMIUM PAID BY SENIOR
\$10,432*	\$1,916	\$2,466	\$384	\$ 0
\$12,182	\$1,363	\$1,754	\$384	\$ 0
\$14,182	\$ 731	\$ 940	\$384	\$ 0
\$15,140	\$ 428	\$ 551	\$384	\$ 0
\$17,224	\$ 0	\$ 0	\$317	\$ 67
\$17,609	\$ 0	\$ 0	\$201	\$ 183
\$18,200	\$ 0	\$ 0	\$ 0	\$ 384

* This figure represents the income single seniors receive from maximum Old Age Security (OAS) and Guaranteed Income Supplement (GIS) payments plus the Goods and Services Tax Credit. The figure is an estimate of what OAS and GIS will be as of July 1, 1994.

PROPOSED ALBERTA SENIORS BENEFIT **For Two-Senior Couples**

ESTIMATED ANNUAL CASH BENEFITS			HEALTH CARE PREMIUMS	
ANNUAL INCOME	HOMEOWNER	RENTER	ESTIMATED PREMIUM SUBSIDIZED BY GOVERNMENT	ESTIMATED PREMIUMS PAID BY SENIOR COUPLE
\$16,908*	\$3,182	\$3,732	\$768	\$ 0
\$19,158	\$2,244	\$2,632	\$768	\$ 0
\$21,158	\$1,321	\$1,551	\$768	\$ 0
\$23,117	\$ 592	\$ 696	\$768	\$ 0
\$25,121	\$ 0	\$ 0	\$730	\$ 38
\$26,275	\$ 0	\$ 0	\$396	\$ 372
\$27,600	\$ 0	\$ 0	\$ 0	\$ 768

* This figure represents the income two-senior couples receive from maximum Old Age Security (OAS) and Guaranteed Income Supplement (GIS) payments plus the Goods and Services Tax Credit. The figure is an estimate of what OAS and GIS will be as of July 1, 1994.

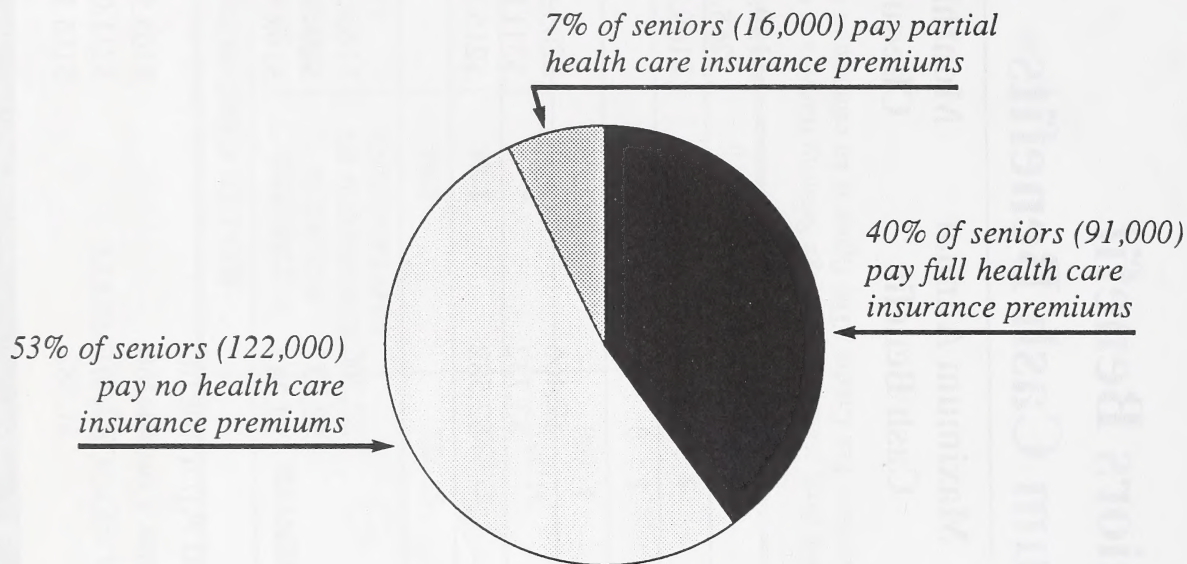
Alberta Seniors Benefit

Proposed Maximum Cash Benefits

	Maximum Annual Cash Benefit	Monthly Cheque
Homeowner		
Single	\$1,916	\$159.67
Two-senior couple	\$3,182	\$265.17
One-senior couple	\$2,032	\$169.33
Renter - Regular		
Single	\$2,466	\$205.50
Two-senior couple	\$3,732	\$311.00
One-senior couple	\$2,582	\$215.17
Renter - Mobile Home		
Single	\$2,266	\$188.33
Two-senior couple	\$3,532	\$294.33
One-senior couple	\$2,382	\$198.50
Renter - Lodge, Nursing Home, Subsidized Apartment		
Single	\$1,266	\$105.50
Two-senior couple	\$2,532	\$211.00
One-senior couple	\$1,382	\$115.17

Will you pay health care insurance premiums under the Alberta Seniors Benefit program?

More than half of Alberta's seniors will pay no health care insurance premiums.



Single senior

Income under \$17,000
Income \$17,000-\$18,200
Income over \$18,200

Will Pay

No premium
Partial premium
Full premium

Two-senior couple

Income under \$25,000
Income \$25,000-\$27,600
Income over \$27,600

Will Pay

No premium
Partial premium
Full premium

One-senior couple

Income under \$19,800
Income \$19,800-\$25,500
Income over \$25,500

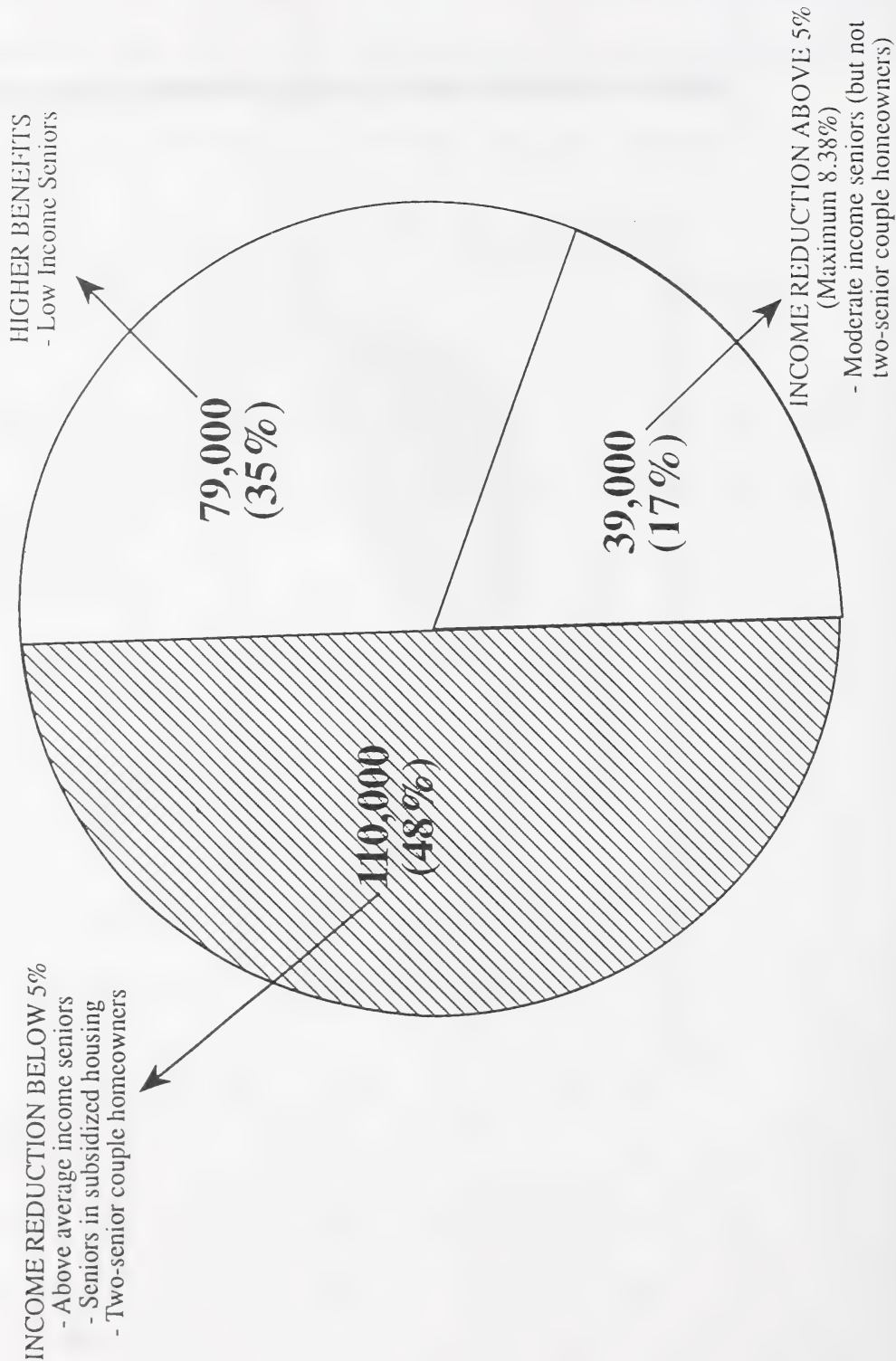
Will Pay

No premium
Partial premium
Full premium

Provincial Spending on Seniors' Programs

1992 - 93	\$1.1 billion
1994 - 95	\$991 million
1996 - 97	\$916 million

Protecting Low Income Seniors



HOW WILL THE PROGRAM WORK?

Application Process

All seniors, and those who will become 65 before July 31, 1994, will receive an application form in May 1994. The form will ask seniors to:

- Identify themselves - so we can find them in the income tax data base.
- Tell us where they live and what kind of accommodation they have.
- Certify that they have lived at that address for 120 days in 1994.
- Tell us what their monthly rent is if they rent or live in a mobile home on rented land.
- Authorize us to access their income tax data for calculation purposes or, if they have not filed a tax form for 1993, provide us with information on their gross income from all sources except the Government of Alberta.

All persons who are resident in Alberta and are 65 years of age and over are eligible for the Benefit. If a senior is not eligible for federal OAS payments, he or she will still be eligible for the health and shelter components of the Benefit.

Cheque Payments

The first cheques under the proposed program will be issued at the end of July 1994. For those whose cash benefit is less than a certain amount, the cheques will be issued quarterly. For those whose annual cash benefit is less than \$100, we will issue one annual cheque in July.

We will consult with seniors on what is an appropriate amount below which monthly cheques cease. We will also consult with them on the possibility of direct deposit of cheques to their bank accounts to ensure timely arrival.

This assurance of a monthly or quarterly payment should help seniors with their budgeting.

Definition of Income

Currently, we are treating all income other than payments from the Government of Alberta as INCOME.

Private income includes employment income, Canada Pension Plan benefits, private pensions and annuities, capital gains and income from investments. In the cases of rental income, business and professional income, commissions, farm income and fishing income we use the **net figures** as shown on your income tax form. In designing this proposal, we have excluded alimony, disability payments and disability pensions from income.

We want to discuss with seniors whether this definition is fair and whether there should be other exclusions or changes to meet the circumstances of seniors.

Thresholds, or Cut Off Points

To recap, the threshold levels at which health care premiums begin to be paid are \$17,000 for single seniors; \$19,800 for one senior couples and \$25,000 for couples where both partners are over 65.

Full health care premiums will be payable when singles have an income of \$18,200 and couples an income of \$27,600. One senior couples will pay full premiums at \$25,500.

These numbers were arrived at after looking at the median income of seniors (\$15,000 for singles; \$31,000 for couples) and the point at which seniors begin to pay income tax.

We want to discuss with you whether these threshold points are fair and reasonable and hear suggestions from you about alternatives.

Shelter

✓ Renters

✓ Mobile home renters

✓ Homeowners

✗ Lodges

✗ Subsidized apartments

Shelter Component

We have maintained the historical difference between renters, mobile home owners/renters and homeowners in calculating the new Alberta Seniors Benefit. This was done in recognition of the statistics which show that the cost of living in private rental accommodation is higher than comparable single family dwellings.

We want to discuss with you whether this is the fairest way of dealing with the costs of shelter.

The shelter allowance previously paid to those in lodges and subsidised apartments is discontinued. This recognises the fact that government already subsidises these accommodations through grants to the agencies which manage them. For those in subsidised accommodation the Senior Citizen's Renter Assistance Grant was **not included** in the calculation for income when determining rent.

We want to discuss with you whether this is the fairest way to treat people in these accommodations.

What Happens in 1994?

- Extended health benefits → December 31
- Property tax reductions → 1/2 year
- Renters assistance
(Includes lodges & subsidized apartments) → 1/2 year
- AAIP → End of June '94
- Health Care Premium → First Invoice July '94

WHAT HAPPENS IN 1994?

1994 is a transition year. We are proposing that the new Alberta Seniors Benefit begin on July 1, the beginning of the health care premium year.

Extended Health Benefits

Alberta Health will continue to provide the existing Extended Health Benefits package until July 1, 1994. Anyone who has begun a course of treatment or ordered glasses before that date will continue to receive benefits provided the treatment is completed or the glasses delivered by December 31 1994. If a senior is eligible for assistance with purchasing dentures before December 31 1994, then he or she may apply for assistance after the July 1, 1994 deadline. Treatment must begin before December 31 and must be completed by March 31, 1995.

Will the proposed benefit be sufficient to deal with seniors needs in this area - we seek your advice.

Property Tax Reduction Program

Seniors will complete an application form which will either be included with their tax notice or be at their municipal office as in previous years. The municipality will be paid \$325 on their behalf. If taxes are prepaid, the municipality will forward a cheque to the senior with a notice that the funds come from the PTR program.

The application form will include a section allowing seniors to apply for a deferral of **up to \$325 of the property tax to December 31 1994**. This deferral is for this year only, and will be without interest or penalty. This will allow seniors time to find additional money if they need to, or to use their benefit cheques for their remaining taxes.

Senior Citizen's Renter Assistance Program

Seniors will receive an application form as in previous years and new applicants can obtain one from Alberta Municipal Affairs. On receipt of the application, a cheque for **one half of the eligible amount will be paid.** This includes \$300 for those in subsidised accommodation. This recognizes that seniors will have completed renting for one half of the year when the proposed program begins.

Alberta Assured Income Plan

Beneficiaries under the Plan will receive their last cheque **at the end of June.** It is expected that all beneficiaries will be eligible for cash benefits and will receive their first cheque from the new program in July.

Health Care Premiums

Those who have to pay partial or full premiums will receive their first invoice from Alberta Health in July 1994. Invoices may be staggered through July and August for ease of administration.

SOME EXAMPLES OF HOW THE PROGRAM WILL APPLY TO SENIORS

Each individual senior's circumstances will vary - these examples are illustrative only. We are prepared to provide an **approximation** of the cash benefit or premium payable to individual seniors if they call or write and can provide us with their gross income last year exclusive of Alberta government payments.

Mrs. Brown is an 84 year old widow living in a modest home in an older city neighbourhood. She has no pension income of her own or from her late husband. Her sole income is from the federal government's Old Age Security and Guaranteed Income Supplement programs, and the Alberta Assured Income Plan. With maximum benefits from these programs, Mrs Brown currently receives \$939 a month, or \$11,270 annually.

Last year, Mrs Brown received a total benefit of \$1,758 from the province, including \$1,140 from AAIP; \$523 towards her property taxes and \$85 to help with new eyeglasses. In addition, she did not pay health care premiums.

Under the proposed Alberta Seniors Benefit she would receive a monthly cheque of \$159.67 for an annual cash payment of **\$1,916**, plus fully paid health care premiums worth \$384.

Mr. and Mrs. Green, aged 79 and 76 respectively, live in an apartment in downtown Calgary. Their rent is \$815 per month. The Greens receive \$300 a month from investments and Canada Pension Plan benefits, plus income from Old Age Security, the Guaranteed Income Supplement and the Alberta Assured Income Plan. Their income from all these sources totals \$1,633.92 per month or \$19,607 annually. Of this amount, \$115 per month or \$1,380 comes from the Alberta Assured Income Plan.

Last year, the couple also received \$1,200 from the Senior Citizen's Renter Assistance program and \$250 under Extended Health Benefits for Mrs. Green's dental work. Total benefits of **\$3,478** to the Greens included cash payments of \$2,830 plus the \$648 value of the health care premium waiver.

Under the new Alberta Seniors Benefit, the Greens will qualify for a cash benefit of **\$2,852**. They will also continue to receive premium free health care.

Mr. White is 87 years old and lives in a seniors lodge in a small rural community. In 1993, Mr. White's lodge accommodation costs were \$551 per month. He has an income of \$400 a month in addition to the assistance he gets from Old Age Security, Guaranteed Income Supplement and Alberta Assured Income Plan, for a total income of \$12,651.

Last year, Mr. White received \$120 under the Alberta Assured Income Plan and \$600 under the Senior Citizens' Renter Assistance program. Total cash benefits were \$720 and Mr. White paid no health care premiums

Under the new Alberta Seniors Benefit, Mr. White will qualify for a cash benefit of \$765 and will pay no health care premiums.

Mr. and Mrs. Smith made their last mortgage payment eight years ago on their home just outside a small city in southern Alberta. Both seniors, the Smiths have an annual income of \$29,500 from Old Age Security, Canada Pension Plan and employer pension benefits. Last year, the Smiths received \$660 from the province under the Property tax Reduction program. Mr. Smith also was reimbursed \$221 for dental work under Extended Health Benefits. In addition to this \$648, the Smiths paid no health care premiums.

Under the Alberta Seniors Benefit, the Smiths will not qualify for benefits. In addition, they will be required to pay \$768 for health care premiums.

WHERE TO GET MORE INFORMATION

- **Telephone Information**

Toll Free: 1-800-642-3853

Edmonton and Area: 427-7876

The toll free number is in operation as of February 24, 1994 and will continue throughout the consultation period and beyond. Informed staff will be doing callbacks, talking to seniors about their concerns and answering questions as specifically as possible.

- **Direct Mail**

Every senior, and all who will become 65 by July 1 1994, will receive an information folder at their residence. It will include detailed information on the benefit, with charts; graphs illustrating the threshold points for payment of premiums; information on how things will work in 1994; the examples just outlined and the telephone numbers for more information.

- **Advertisements and Announcements**

We will be advertising in all newspapers in the province and on radio to ensure that seniors know where to call for more information.

Announcements will also be sent with AAIP cheques and SCRAP applications.

- **Personalized Information**

On request, staff will provide an approximate figure of the benefit that will be paid to an individual, or the amount of health premium that will be payable. We can also calculate the approximate reduction in income for that person.

- **Information Sessions**

At the request of seniors organisations we will be happy to participate in information sessions about the proposed Alberta Seniors Benefit and other changes to seniors programs. We will provide resource people from Community Development and other departments as requested and come to your community.

talking

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Return to your presenter or send to:

Alberta Seniors Benefit
Alberta Community Development
Room 610, 10405 Jasper Avenue
Edmonton, Alberta T5J 3N4



WHERE TO GET MORE INFORMATION

We're interested in hearing your ideas, thoughts and suggestions about the Ontario Science Centre program.

The new \$200, 45 million Ontario Science Centre will be a new landmark in the city of Toronto. It will be a place where you can learn about science in a fun and exciting way. It will be a place where you can see the latest in scientific discovery. It will be a place where you can be part of the future.

For more information, please contact:

Ontario Science Centre
100 Queen's Park
Toronto, Ontario M5S 1A5
Tel: (416) 326-7300